

FISCAL NOTE

Bill #: HB0156

Title: Revise motor vehicle dealer laws

Primary Sponsor: Gary Matthews

Status: Second Reading

Sponsor signature Date

Chuck Swysgood, Budget Director Date

Fiscal Summary

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Expenditures:	0	0
Revenue:		
General Fund	\$22,500	\$22,500
Net Impact on General Fund Balance:	\$22,500	\$22,500

<u>Yes</u>	<u>No</u>		<u>Yes</u>	<u>No</u>	
	X	Significant Local Gov. Impact		X	Technical Concerns
	X	Included in the Executive Budget		X	Significant Long-Term Impacts
	X	Dedicated Revenue Form Attached		X	Family Impact Form Attached

Fiscal Analysis

ASSUMPTIONS:

Department of Justice

1. In 2000 the Department of Justice, Motor Vehicle Division licensed 1,544 motor vehicle dealers. Under the provisions of this bill 1,140 of those motor vehicle dealers would be eligible to make application for the "courtesy" license plates.
2. Assuming that 150 sets of the "courtesy" license plates would be issued each year, the general fund revenues would be increased an estimated \$22,500 each year. (150 courtesy plate sets x \$150/set = \$22,500)
3. The Motor Vehicle Division will absorb the costs of the plate decals and distribution of the courtesy license plates.

4. There is no information available to the division to estimate the impact of the increase of the civil penalty in section 5.

Department of Corrections

5. Department of Corrections, Montana Correctional Enterprises (MCE) license plate factory currently produces dealer license plates for Montana new and used automotive dealers.
6. Because there is limited space on the 12" license plates, the word "COURTESY" would need to be placed on the top center of the license placed between the two bolt holes.
7. Currently the Department of Justice Motor Vehicles Division (MVD) supplies the "DEALER" and "DEMO" decal for the dealer's license plates. The current decals have $\frac{3}{4}$ high lettering. It is the assumption of the MCE license plate factory that the MVD will also supply the "COURTESY" decal, which will also be applied to the top of the courtesy license plate.
8. MCE license plate factory would emboss the county number, the abbreviation for the vehicle type of dealer's license (a single D for new dealer and a stacked die with UD for used dealer) and the dealer number on the courtesy license plate, as in the same manner as the current dealer plates are now issued.
9. In addition, the current dealer's license plates also have an embossed number, designating the number of that certain plate, which was issued to the dealer. (e.g. if the dealer has 100 dealer's license plates issued to them, their plates will range from 001 to 100). Because there are only two sets of courtesy license plates to be issued per dealer, a number 1 or number 2 can be embossed on the two sets of courtesy plates. This number designation will follow the numbers as stated in assumption #8.
10. An example of a courtesy plate number designation would be 1D3•01, with the word courtesy over the top center. In the example, the first number would designate Silver Bow County, the D designates a new dealer, the 3 designates the dealer number in Silver Bow County, and the number 01 following the dot designates the first courtesy license plate issued for that dealer.
11. With the exception of the "COURTESY" decal, the current MCE license plate factory general fund budget can cover all costs associated with the production of the new courtesy license plate, as the anticipated number of this type of license plate is not significant compared to the overall license plate production.

FISCAL IMPACT:

	<u>FY2002</u> <u>Difference</u>	<u>FY2003</u> <u>Difference</u>
Department of Justice		
<u>Revenues:</u>		
General Fund (01)	\$22,500	\$22,500
<u>Net Impact to Fund Balance (Revenue minus Expenditure):</u>		
General Fund (01)	\$22,500	\$22,500